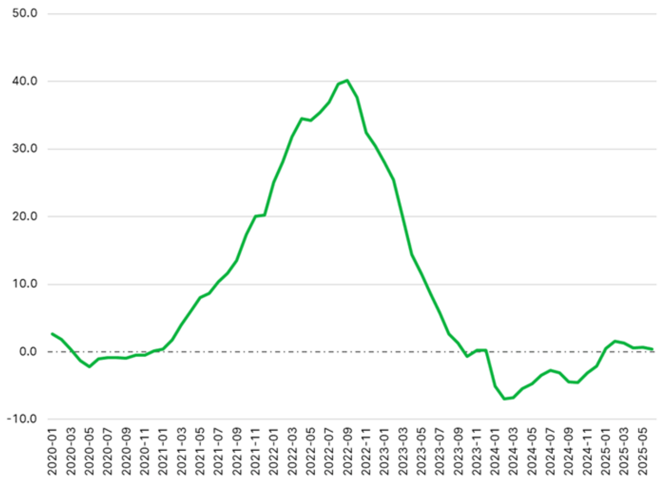
CEE MACRO AND FI DAILY

Producer prices return to slow growth

On the Radar

- Industrial production contracted in Slovenia by -4.3% y/y in June.
- Today, at 8 AM Romania releases July's inflation and net wage growth in June.
- At 9 AM CET Slovakia is scheduled to publish average real monthly wage in industry.
- At noon CET, Serbia releases July's inflation.

Domestic producer prices in industry, % y/y

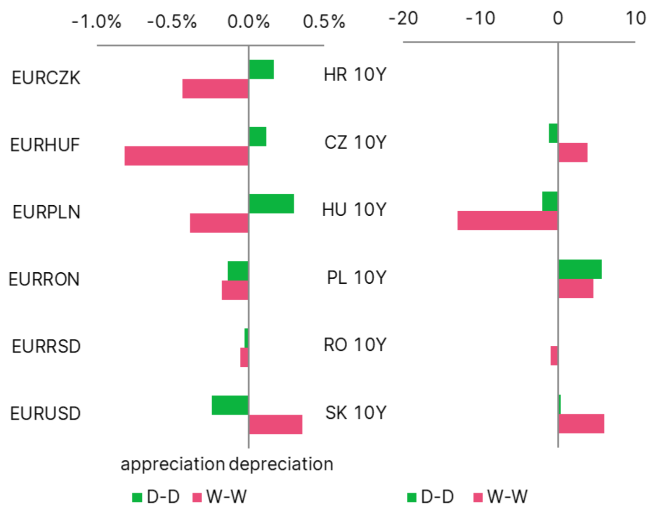


Source: Erste Group Research

Economic developments

In June 2025, compared with May 2025, industrial producer prices increased by 0.8% in the euro area and by 0.7% in the EU. Compared with June 2024, industrial producer prices increased by 0.6% in both the euro area and the EU. In the region, the average growth of producer prices in the industry in CEE8 was at 0.4% compared to June 2024. While throughout the whole 2024 the producer prices had been declining (negative growth rates on average), since the beginning of 2025 we see producer prices growing at quite meager pace. Looking country by country, the situation is quite different. While in Croatia and Hungary growth dynamics of producer price were the highest in June 2025, in Poland or Czechia, producer prices have been declining not only in June 2025 but since the beginning of the year. Producer prices development is usually a good indicator of the upcoming trends in headline inflation numbers. Although the PPI indicates that the phase of rapid disinflation driven by falling producer prices has ended, supply-driven price pressures remain reasonably contained.

Market performance



Source: Erste Group Research

Market developments

The CEE currencies strengthened marginally against the euro at the beginning of the week. Only EURRON slightly appreciated. On the bond market, we see long-term yields declining slightly. Today, global developments will be key for the CEE markets as inflation figures for July will be published in the United States. In June, the US inflation rate rose to 2.7% y/y from 2.4% y/y in May this year. The first price increases due to US tariffs have already materialized in the data. In the region, Polish central banker Kotecki expect interest rates cut by at least a quarter point further this year, with a move possible in September. Romania sold RON 500 million of 2030 bonds that were priced to yields 7.34% and RON 366.5 million of 2034 bonds that were priced to yield 7.26%.

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Upcoming releases in CEE

Date	Time	Country	Indicator	Period	Survey	Erste Est.	Prev.
12. Aug	**08:00**	**RO**	CPI (y/y)	Jul	5.77%	6.9%	5.7%
	08:00	**RO**	CPI (m/m)	Jul		1.8%	0.5%
	08:00	**RO**	Wages (y/y)	Jun			7.6%
	09:00	**SK**	Wages (y/y)	Jun			-0.4%
	12:00	**RS**	CPI (y/y)	Jul	4.40%	4.6%	4.6%
	12:00	**RS**	CPI (m/m)	Jul			0.9%
13. Aug		**RO**	Current Account Balance (monthly)	Jun			-12632
		RS	Current Account Balance (monthly)	Jun			-335
	10:00	**PL**	GDP (y/y)	2Q P	3.40%	3.4%	3.2%
	14:00	**PL**	Trade Balance	Jun			-1443

FX Market

	Last	Change (%) d/d	Change (%) w/w
EUR/CZK	24.44	0.2	-0.4
EUR/HUF	395.49	0.1	-0.8
EUR/PLN	4.25	0.3	-0.4
EUR/RON	5.06	-0.1	-0.2
EUR/RSD	117.01	0.0	-0.1
EUR/USD	1.16	-0.2	0.4

3M Market

	Last	Change (bps) d-d	Change (bps) w-w
CZK	3.51	0	1
HUF	6.50	0	0
PLN	4.91	-1	-2
RON	6.60	0	-1
RSD	4.68	0	0
EUR	2.03	1	3

10Y Yields

	Last	Change (bps) d-d	Change (bps) w-w
CZ 10Y	4.32	-1	4
HU 10Y	6.93	-2	-13
PL 10Y	5.36	6	5
RO 10Y	7.16	0	-1
HR 10Y	3.09	0	0
SK 10Y	3.46	0	6

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